

OPTIONAL LIFE INSURANCE AND DEPENDENT LIFE INSURANCE

In addition to the coverages provided at no cost to you, the following increased benefit protection is available under the Insurance Program:

You May Enroll for Optional Life Insurance...
in amounts of \$5,000, \$10,000 or \$15,000 or 1, 2, 3, 4 or 5 times your annual base salary.*

This insurance is in addition to your basic life insurance and is available, while basic life insurance is in force, to regular full-time employees with 6 or more months of service.

You have the right to designate your beneficiary or beneficiaries. The beneficiary need not be the same as the one designated for your basic life insurance.

You May Also Enroll for Dependent Life Insurance...

which will provide \$5,000 of life insurance on your spouse and \$1,000 of life insurance on each of your eligible dependent children.

All regular full-time employees are eligible for this coverage if they are then enrolled for Optional Life Insurance and have an eligible dependent.

You are the beneficiary for Dependent Life Insurance. Benefits are payable to you in a lump sum if an eligible dependent should die from any cause while you are enrolled for Dependent Life Insurance.

An eligible dependent includes your spouse and dependents over 14 days of age who are eligible to be covered for basic hospital, surgical, medical and prescription drug expense coverages (excluding sponsored dependents).

You Contribute...

the full cost of Optional and Dependent Life Insurance. Your insurance office can advise you of the contribution rates for your age group.

When You Attain Age 66...

the amount of Optional Life Insurance in force on your 65th birthday will be reduced commencing at age 66 by 20% and by a like amount each year to age 70. You will be required to contribute for the coverage remaining in force. No Optional Life Insurance will be provided after the end of the month in which you attain age 70.

Dependent Life Insurance may be continued whenever Optional Life Insurance is continued by paying the required contributions.

Additional Information...

concerning Optional and Dependent Life Insurance is available in the enrollment folders which describe these coverages.

*Annual base salary, for this purpose, equals 12 times your monthly base salary and includes premium for 7-day operations but does not include overtime, night shift premium or any cost-of-living allowance.

PERSONAL ACCIDENT INSURANCE

You May Enroll for Personal Accident Insurance...

for amounts of insurance of \$10,000 to \$250,000. You also may enroll your spouse and any dependent children for this insurance. The maximum dependent coverage available is \$100,000 for your spouse and \$30,000 for each child.

You contribute the full cost of Personal Accident Insurance. Your insurance office can advise you of the premium rates.

Benefits are payable to your designated beneficiary if you die by accidental means provided your death was not the result of self-inflicted injury, experimental or test flight in an aircraft, or any act of war.

Detailed Information...

concerning Personal Accident Insurance and enrollment cards are contained in the booklet, "Personal Accident Insurance".

GM RETIREMENT PROGRAM SURVIVOR BENEFITS

In addition to benefits under the GM Insurance Program, your survivors may receive GM Retirement Program benefits under Part A and/or Part B (see page 24).

If You Die Before Retirement . . .

Part A Automatic Benefit for Your Surviving Spouse:

If you die after attaining eligibility to retire voluntarily, a lifetime monthly Part A benefit may be payable automatically to your surviving spouse.

Your spouse's monthly benefit would be based on 55% of the Part A basic benefit you would have received had you retired voluntarily.

Part B Optional Benefit for Your Surviving Spouse:

You may elect this option when you become eligible to participate in Part B of the Program, provided you are then married. If you marry thereafter, you may elect this option to become effective after one year of marriage.

If you die with this option in effect, your surviving spouse is assured of receiving a monthly income based on 50% of your unreduced Part B primary and supplementary benefits.

For Example . . .

suppose you have this Part B survivor option in effect for your spouse and you die in January 1975 at age 50. You and your spouse were the same age, your last monthly base salary was \$1,250, and you have 25 years of credited service. This is before you are eligible to retire voluntarily. Your spouse would receive 50% of your Part B benefits, or an estimated \$78 a month in this case, for life.

However, if you are eligible to retire voluntarily on the date of your death and have this option in effect, your surviving spouse will receive the monthly benefits described below—"If You Die After Retirement"—if such benefits total a greater amount than under this 50% formula.

This option generally remains in effect until you are eligible to elect the survivor option for death after retirement, or your employment terminates.

If you do not elect the Part B optional survivor benefit and die prior to retirement, your designated beneficiary will receive all of your Part B contributions plus interest

If You Die After Retirement . . .

Part A and Part B Surviving Spouse Benefits:

You may elect to receive reduced monthly Part A basic or Part B benefits, or both, so that your eligible surviving spouse will receive a portion of your lifetime monthly benefits after your death.

Your spouse's benefit would be based on 55% of the Part A basic and/or Part B benefits payable to you.

If you outlive your spouse, you may revoke the Part A survivor option. If you are divorced, you may revoke both Part A and Part B survivor options. If you revoke the option, your future benefits will be restored, upon application, to the amount

payable without the option. Consent of GM and/or the Metropolitan Life Insurance Company is necessary for any revocation while your spouse is alive.

Part A Basic and Part B Joint and Survivor Benefits:

As an alternative to the surviving spouse option, you may elect the joint and survivor option. Under this option all or any part of your reduced monthly Part A basic and Part B benefits may be continued to any beneficiary you designate.

Generally, a survivor option becomes effective on the date you retire. If you retire because of total and permanent disability prior to age 55 with less than 30 years of credited service, the option becomes effective at age 55.

ADDITIONAL INFORMATION ON RETIREMENT PROGRAM SURVIVOR BENEFITS

• **Surviving Spouse Benefit Amounts Are Adjusted...**

for age differences between you and your spouse which exceed 5 years. This can result in either an increased or decreased amount in the 55% or 50% benefit formula mentioned above.

• **If Your Spouse is Receiving a Survivor Income Benefit...**

under the GM Insurance Program, the

Retirement Program Part A surviving spouse benefit will not be payable while the Insurance Program benefit is being paid.

• **Special Benefit**

When your surviving spouse attains age 65 and is receiving a Part A benefit, a special benefit of \$6.30 a month becomes payable. This benefit can become payable prior to age 65 if your spouse is receiving a Part A benefit and is enrolled for "Part B" of Medicare under Social Security.

HOSPITAL AND MEDICAL BENEFITS FOR SURVIVING SPOUSE

If You Die While Employed But Before You Are Eligible to Retire Voluntarily...

your surviving spouse is eligible, while receiving survivor income insurance benefits, for the same basic hospital, surgical, medical and prescription drug expense coverages as were available to you. These coverages may be continued for self and any eligible dependent children. The cost of such continued coverages must be paid for by your surviving spouse.

If you were not eligible to retire voluntarily at the time of your death but you had elected the Part B optional survivor benefit and had at least 10 years of credited service under the Retirement Program, your spouse would be eligible for continued hospital, surgical, medical and prescription drug expense coverages. These coverages may be continued for self and any eligible dependent children. GM would continue to pay for basic coverages and for most of the cost of major medical coverages. However, coverages would cease if your surviving spouse remarries or dies.

If You Die After Retirement, or After You Are Eligible to Retire Voluntarily...

your surviving spouse would be eligible for continued hospital, surgical, medical and prescription drug expense coverages. These coverages may be continued for self and any eligible dependent children.

GM would continue to pay for basic coverages and for most of the cost of major medical coverages, except if you were between ages 55 and 60 and your combined years of age and credited service totaled less than 85...

• when you retired voluntarily, or

• when you died prior to retirement and did not have the optional Part B survivor option in effect.

In either of these cases your surviving spouse would be required to pay the full cost of these coverages.

SAVINGS-STOCK PURCHASE PROGRAM BENEFITS FOR SURVIVING SPOUSE

If you die while employed, with your spouse as your beneficiary under this Program, he or she would receive your entire account balance, including all of GM's contributions.

In lieu of a lump-sum settlement, your surviving spouse could convert all or part of the eligible assets to a lifetime annuity, provided your spouse was the beneficiary of at least \$5,000 of assets eligible for such conversion.

INSURANCE CERTIFICATES

or their equivalent, containing all the detailed survivor benefit provisions you have under the various GM benefit programs covered in this section, will be distributed to you.



Retirement Benefits

Under the GM Retirement Program for Salaried Employees

Your GM Retirement Program is made up of two parts.

Part A is non-contributory. General Motors pays the entire cost. It provides monthly benefits for all employees with 10 or more years of credited service who retire under the Program, or who leave General Motors. Part A consists of:

- Basic benefits,
- Temporary benefits,
- Special benefits, and
- Supplements.

Part B is contributory. You and General Motors share the cost. It provides you with an opportunity to build up substantial additional monthly benefits, consisting of:

- Primary benefits, which are based on the amount you contribute, and
- Supplementary benefits, which are based on your final 5-year average monthly base salary and your years of credited service.

To get full Part B benefits you must contribute at all times while eligible and leave your contributions in the Program until retirement.

You Are Eligible To Participate . . .

In Part A automatically when you become a General Motors salaried employee.

You are eligible to contribute under Part B when you have:

- Attained age 30, and
- Have 6 months of continuous service.

Your Part B contribution is 3% of monthly base salary in excess of \$500. Once you elect to participate in Part B your contribution is deducted from your salary each month.

You Are Eligible To Retire . . .

under normal retirement provisions when you attain age 65. Retirement at that age is automatic if you were eligible to contribute under Part B of the Program.

If you have 10 or more years of credited service, you may retire:

- As early as age 55.
- At any age in case of total and permanent disability.
- Prior to age 55 if you have 30 or more years of credited service.

Your Credited Service . . .

is the total period of employment used in determining your Part A benefits and any Part B supplementary benefit.

Credited service includes all periods of employment and temporary absence for which you are paid. In addition, certain other periods

of absence may be credited, such as all or part of an approved military or disability leave, or layoff.

If you leave GM and your credited service is broken, you may apply to have it all reinstated if you are re-employed by General Motors.

Retirement At Age 65

If you retire at the normal retirement age of 65 you may receive the following benefits:

Part A Basic Benefit:

Your monthly Part A basic benefit is determined by your basic benefit rate times your years of credited service.

Your basic benefit rate depends on your benefit class code (which is based on the maximum monthly base salary rate for your salaried position) and your retirement date, as follows:

Benefit Class Code	Retirement Date and Monthly Part A Basic Benefit Rate Per Year of Credited Service		
	10-1-74 through 9-1-76	10-1-76 through 9-1-78	10-1-78 and after
A	\$ 9.25	\$ 9.75	\$ 10.75
B	9.50	10.00	11.00
C	9.75	10.25	11.25
D	10.00	10.50	11.50

Most employees have the "D" benefit class code. For example, if you retire on October 1, 1974 at age 65 with a \$10.00 rate and have 30

years of credited service, your monthly Part A basic benefit would be \$300.00.

If you retire prior to October 1, 1978 your monthly Part A basic benefit rate will be increased periodically after your retirement.

The date and amount of these increases are shown in the following table:

Retirement Date	Date and Amount of Increase in Monthly Part A Basic Benefit Rate Per Year of Credited Service			
	10-1-76	10-1-78	10-1-77	10-1-78
3-1-74 through 9-1-74	\$ 0.50	\$ 0.25	\$ 0.25	\$ 0.50
10-1-74 through 9-1-76	—	0.25	0.25	0.50
10-1-76 through 9-1-78	—	—	—	0.75

Part A Supplements:

Commencing October 1, 1975 you also could receive a monthly Part A "lifetime" or "age-service" supplement, but it would be reduced by any Part B supplementary benefit payable to you. Page 28 shows the schedule of Part A lifetime supplements.

Part A Special Benefit:

You also will receive a Part A special benefit of \$6.30 a month.

Part B Primary Benefit:

Any Part B primary benefits would be based on your contributions in the Program. These monthly benefits would equal 2½% of your con-

tributions made before July 1, 1971 plus 4¼% of your contributions thereafter.

For example, if you contributed \$7,000 prior to 7-1-71 and \$2,000 thereafter, your monthly Part B primary benefit at age 65 would be \$258.33.

$$\$7,000 \times 2\frac{1}{4}\% = \$175.00$$

$$\$2,000 \times 4\frac{1}{4}\% = 83.33$$

Monthly Part B

Primary Benefit \$258.33

This formula results in a benefit equal to 1½% of the average salary upon which you make contributions, times the number of years you contribute.

Part B Supplementary Benefit:

You also may receive a Part B supplementary benefit. This monthly benefit is equal to 1% of your final 5-year average monthly base salary in excess of the applicable amount shown in the following table, times your years of credited service:

Retirement Date	Applicable Amount
10-1-74/9-1-78	1,000.00
10-1-78/9-1-78	1,050.00
10-1-78 or after	1,150.00

For example, if you retire October 1, 1974 at age 65 with a final 5-year average monthly

Some examples of total monthly retirement benefits, including Social Security, are shown on page 31.

base salary of \$1,300 and 30 years of credited service, your monthly Part B supplementary benefit would be \$90.00.

Final 5-Year Average
Monthly Base Salary \$1,300.00
Less Applicable Amount 1,000.00
\$ 300.00

Times Part B Supplementary
Benefit Rate x 1%
\$ 3.00

Times Years of Credited Service x 30

Equals Monthly Part B
Supplementary Benefit \$ 90.00

RETIREMENT PRIOR TO AGE 65 WITH UNREDUCED BENEFITS

Your benefits will not be reduced because of early commencement if you retire prior to age 65 under one of the following types of retirement...

- Mutually Satisfactory Retirement—between ages 60 and 65. Retirement must be agreeable to you and the Corporation.
- Special Early Retirement—between ages 55 and 60. Retirement is initiated by GM and must be agreeable to you.
- Corporation Option Retirement—between ages 55 and 65. You may be retired by GM, subject to certain conditions and approval by the applicable Corporation Committee if retirement is before age 60.
- Total and Permanent Disability Retirement—at any age. Retirement can commence after you are disabled at least 6 months.

Part A Benefits:

In any of these cases, your monthly Part A basic benefit will be determined as if you had retired at age 65, but based on your credited service at the time you retire.

In addition, you may receive a monthly Part A temporary benefit, as shown in the following table, times your years of credited service, up to 25:

Retirement Date	Temporary Benefit Rate
6-1-74/9-1-78	9.50
10-1-78/9-1-78	10.00
10-1-78 or after	11.00

The temporary benefit is payable until you become:

- age 62, or
 - eligible for Social Security disability insurance benefits, or
 - eligible for an unreduced Social Security old age benefit,
- whichever occurs first.

If you retire because of total and permanent disability the temporary benefit will be paid only if you submit evidence that you are not eligible for Social Security disability insurance benefits.

Part B Benefits:

If you have contributions in the Program, you will have Part B primary benefits, determined as if you had retired at age 65. Any Part B supplementary benefit will be based on your final 5-

year average monthly base salary and credited service at the time you retire. Your benefits will not be reduced because of commencement prior to age 65.

RETIREMENT PRIOR TO AGE 65 WITH REDUCED BENEFITS

You May Retire Voluntarily With Reduced Benefits:

- Between ages 55 and 65 if you have 10 or more years of credited service.
- At any age if you have 30 or more years of credited service.

Part A Benefits:

Your monthly Part A basic benefit will be determined as if you had retired at age 65, but based on your credited service at the time you retire. This benefit will be reduced if you elect to have it commence before age 62. However, if you have 30 or more years of credited service, you will receive this benefit without reduction after you attain age 65.

Part B Benefits:

Any Part B primary and supplementary benefits will be determined just as for other types of

early retirement, but will be reduced if you elect to have them commence prior to age 65.

Important Note

If you retire voluntarily between ages 55 and 60 when your combined years of age and credited service total less than 85, other GM benefit programs as well as your benefits under the Retirement Program will be affected. For example:

- You will forfeit unearned General Motors contributions under the Savings-Stock Purchase Program.
- You must pay the full cost of any insurance coverages you may wish to continue, and
- Your retirement benefits will be further reduced.

SUPPLEMENTS, BASIC BENEFIT INCREASES, AND SPECIAL BENEFIT FOR RETIREMENT PRIOR TO AGE 65

For an explanation of various supplements which may be payable for retirement prior to age 65, refer to page 28.

After retirement you may receive periodic increases in your monthly Part A basic benefit (see page 25).

At age 65, or earlier if you are enrolled for "Part B" of Medicare under Social Security, you will receive a Part A special benefit of \$6.30 a month.

PART A SUPPLEMENTS FOR RETIREMENT WITH 30 OR MORE YEARS OF SERVICE

An "Early Retirement" Supplement...

may be payable to you each month if you retire before age 65 with 30 or more years of credited service. This supplement is an amount which, when added to the sum of all other Part A and any Part B supplementary benefits payable to you prior to reduction for any survivor option, will raise the total of these benefits to the amount shown in the following table:

Retirement Date	Total Monthly Benefit Amount	
	Prior to Age 62	Age 62 to Age 65
10-1-74 through 9-1-76	\$ 625	\$ 395
10-1-76 through 9-1-78	650	400
10-1-78 or after	700	430

A "Lifetime" Supplement...

may be payable to you each month for life after age 65 if you retire at any age with 30 or more years of credited service. The amount of this supplement depends on your retirement date, as follows:

Retirement Date	Lifetime Monthly Supplement
3-1-74 through 9-1-76	\$ 75
10-1-76 through 9-1-78	80
10-1-78 or after	100

*First payable on October 1, 1975.

This lifetime monthly supplement is reduced by the amount of any monthly Part B supplementary benefit payable to you prior to reduction for any survivor option.

PART A SUPPLEMENTS FOR RETIREMENT WITH LESS THAN 30 YEARS OF SERVICE

An "Interim" Supplement...

may be payable to you each month until age 62 if you retire voluntarily before age 62 with less than 30 years of credited service. The amount of this supplement is based on your age at retirement, as follows:

Age at Retirement	Monthly Amount of Interim Supplement Per Year of Credited Service
55	3.50
56	4.30
57	5.10
58	5.90
59	6.70
60	7.50
61	7.50

An "Age-Service" Supplement...

may be payable to you each month for life if you retire under any type of retirement after age 62 with less than 30 years of credited service. It is first payable October 1, 1975. For retirements at or after age 65, this supplement amounts to \$2 a month per year of credited service. The \$2 amount is reduced by 1/36th for each month your age at retirement precedes age 65.

Both the interim supplement and age-service supplement are reduced by the amount of any monthly Part B supplementary benefit payable to you prior to reduction for any survivor option.

PART A SUPPLEMENTS--LIMITATIONS

- * Supplements are not payable to an employee who retires voluntarily between ages 55 and 60 if the sum of his age and years of credited service is less than 85, or to any employee who is discharged.
- * If your total monthly Part A and Part B supplementary benefits, including any supplement payable prior to age 65, would exceed 70% of your final monthly base salary plus cost-of-living allowance, your supplement will be reduced by the amount over 70%.
- * If you retire voluntarily and become eligible prior to age 62 for a Social Security disability insurance benefit, your supplement will be reduced until you are age 62. The reduction will equal the temporary benefit rate in effect at the time of your retirement, times your years of credited service, up to 25.
- * If, after retirement, you earn more in a calendar year than the amount you can earn without reduction of Social Security benefits (\$2,400 in 1974), any supplement payable prior to age 65 will be reduced \$2 for each \$1 of such excess earnings.

SURVIVOR BENEFITS

In the Event of Your Death...

either before or after you retire, monthly benefits may be provided for the lifetime of your survivor.

Refer to page 22 for an explanation of these important benefits. Including the optional surviving spouse benefit you can elect if you contribute under Part B of the Program.

OTHER BENEFIT PROGRAM COVERAGES--AFTER RETIREMENT UNDER THE GM RETIREMENT PROGRAM

- * **Savings-Stock Purchase Program:** You may receive a lump sum distribution of your account, including full earn-out of GM's contributions (except for voluntary retirement between ages 55 and 60 when your combined years of age and credited service total less than 85—in which case you will receive GM's contributions to the extent they are earned out).

Deferral of Distribution—If you retire in a year in which you will not attain age 65, you may defer the receipt of your account until the next taxable year.

Lifetime Annuity Option—In lieu of receiving your account in a lump sum at retirement or deferring receipt of your

account, you may elect to convert all or part of your eligible assets to an annuity in order to provide a monthly income after retirement. The conversion would be made through an insurance carrier selected by GM, at favorable group rates.

After Retirement, Your Insurance Coverages Can Be Continued as Follows:

- * **Hospital-Medical Coverages:** Your basic coverages will be provided at Corporation expense for your lifetime (except for voluntary retirement between ages 55 and 60 when combined years of age and credited service total less than 85). Dental coverages cannot be continued.

OTHER BENEFIT PROGRAM COVERAGES—AFTER RETIREMENT UNDER THE GM RETIREMENT PROGRAM (Cont.)

If you retire voluntarily between ages 55 and 60 when your combined years of age and credited service total less than 85, you may continue your basic hospital and medical coverages for your lifetime provided you pay the full cost.

You may continue your major medical coverages by paying the required monthly subscription charge.

Group Insurance: Your basic life, extra accident, and survivor income benefit insurance will be continued at GM's expense until age 65 (except for voluntary retirement between ages 55 and 60 when your combined years of age and credited service total less than 85). After age 65, extra accident and survivor income benefit insurance ceases.

If you retire voluntarily between ages 55 and 60 when your combined years of age and credited service total less than 85, you may continue your basic life, extra accident, and survivor income benefit insurance to age 65, provided you pay 50 cents for each \$1,000 of basic life insurance in force.

Refer to page 19 for an explanation of continuing life insurance protection after age 65.

If you have at least 5 years of participation at age 60 and cease active work for any reason, you may continue basic life, extra accident, and survivor income benefit insurance to the end of the month in which you attain age 65. If you are eligible for retirement benefits, GM will pay the full cost of such insurance. If you are not eligible for retirement benefits, you must contribute 50 cents for each \$1,000 of basic life insurance.

Optional and Dependent Life Insurance may be continued to age 70 so long as basic life insurance remains in force provided you pay the required contributions. See page 21 for an explanation of the limitations on this coverage after age 65.

Personal Accident Insurance: You may continue this insurance on yourself and any eligible dependents for your lifetime, by paying the required premiums. However, after you are age 70, insurance in force on each person insured may not exceed \$50,000.

PARTICIPATION CERTIFICATES

are distributed to all employees participating in the contributory part of the GM Retirement Program. Program text language, containing all the detailed provisions of the GM Retirement Program, is available through your supervisor or salaried personnel representative. (See inside back cover for further information available in compliance with applicable Federal legislation.)

SOCIAL SECURITY BENEFITS...

are in addition to your General Motors retirement benefits. GM and you share the cost of your Social Security protection.

Social Security old age benefits begin at age 65, or between ages 62 and 65 on a permanently reduced basis.

Your spouse may be eligible for a Social Security benefit based on your spouse's own

earnings record. If not, your spouse's monthly Social Security benefit will equal one-half of your unreduced monthly Social Security benefit if your spouse is age 65. Your spouse may receive a permanently reduced benefit as early as age 62.

The following table may help you estimate your monthly Social Security benefits.

SOCIAL SECURITY OLD AGE BENEFITS ESTIMATED FOR RETIREMENT ON OCTOBER 1, 1975 If Social Security Commences When You and Your Spouse Are:						
If You Retire At Age	Age 65			Age 62		
	Retiree	Spouse*	Total	Retiree	Spouse*	Total
65	\$ 326	\$ 163	\$ 489	\$ —	\$ —	\$ —
62	326	163	489	261	122	383
60	319	160	479	255	120	375
55	291	146	437	233	109	342

* Assumes spouse is not eligible for higher Social Security benefits based on spouse's own earnings record.

EXAMPLES—RETIREMENT AT AGE 65

Assume you have participated fully in Part B of the Program and retire October 1, 1975 at age 65 with 36 years of credited service.

YOUR COMBINED MONTHLY GM AND SOCIAL SECURITY BENEFITS ESTIMATED FOR RETIREMENT ON OCTOBER 1, 1975							
Assumed Average Monthly Base Salary			Part B		Social Security (Maximum)		TOTAL
From Age 30 to 65	Last 5 Years Before Retirement		Part A	Supple- mentary	Self	Spouse	
\$ 600	\$ 900	\$ 441	\$ 159	—	\$ 326	\$ 163	\$ 1,088
800	1,200	369	253	72	326	163	1,183
1,000	1,500	366	347	180	326	163	1,382
1,200	1,800	368	441	288	326	163	1,584

NOTE: Amounts are rounded to the nearest dollar. Part A basic benefit increases after October 1, 1975 would be added to the amounts shown in all cases. You and your spouse are assumed to be the same age, and you are assumed to have maximum Social Security coverage.

7

Layoff Benefits

You May Be Eligible . . .

for semi-monthly payments under the *Layoff Benefit Plan* if you are a regular classified salaried employee with length of service of one or more years and are placed on "layoff-inactive status".

Unclassified employees are covered by the Separation Allowance Plan described on the next page.

The Amount of Layoff Benefits . . .

is based on your monthly pay at time of layoff (base salary plus the cost-of-living allowance applicable to the semi-monthly period of layoff involved). The monthly total of semi-monthly payments will be based on:

- 75% of your monthly pay for the first 6 months of layoff for which benefits are payable, and
- 60% of your monthly pay for up to the next 6 months for which benefits are payable.

The following amounts, if any, will be deducted from the amount of your layoff benefits:

- Any Unemployment Compensation received or to which you are entitled, and any state disability benefits received; plus
- Any GM pay received or made available; plus
- 75% of any earnings received from another employer or from self employment; plus
- Any unemployment payments to which you are entitled under any GM plan or program to which GM has contributed.

Layoff benefits will be payable automatically without any employee application.

For Example . . .

assume you have 2 or more years of salaried service, are married and have 2 dependent children, you live and work in Detroit, Michigan, and you are laid off November 1, 1974 with a monthly base salary of \$1,300 (including the monthly equivalent of cost-of-living allowance):

Month of November, 1974	
Base Salary (including COLA)	\$1,300.00
75% of base salary (including COLA)*	\$ 975.00
1st Semi-Monthly Period (1st-15th)	
Benefit level (½ of \$975)	\$ 487.50
Less: State UC for period	— 182.00
Less: Earnings and other benefits	— 0
GM layoff benefit payable	<u>\$ 305.50</u>
2nd Semi-Monthly Period (16th-30th)	
Benefit level (½ of \$975)	\$ 487.50
Less: State UC for period	— 210.00
Less: Earnings and other benefits	— 0
GM layoff benefit payable	<u>\$ 277.50</u>
Total GM Layoff Benefits Payable	\$ 583.00
Total UC Payable	\$ 392.00
Total layoff income for November	<u>\$ 975.00</u>
*Layoff benefit calculation would be based on 60% starting with the 7th month of layoff for which benefits are payable.	

The Duration of Layoff Benefits . . .

is based on your salaried length of service when placed on "layoff-inactive" status.

If your length of service is 1 year or more, you may receive layoff benefits for 6 months, plus 1 additional month of benefits for each additional 2 full months of service beyond 1 year—up to a maximum entitlement of 12 months of layoff benefits. Thus, an employee with 2 or more years of service at time of layoff

will be entitled to the maximum of 12 continuous months of layoff benefits.

Regeneration of Benefit Entitlement:

If you return from layoff to work for GM as a regular salaried employee, you will become entitled to an additional month of layoff benefits for each 2 months worked. Thus, you can regenerate eligibility for the maximum 12-month benefit period by working 24 months.

INFORMATION REQUIRED FROM EMPLOYEE

At time of layoff, you will be requested to complete a data statement indicating the address where you want your layoff benefit checks to be mailed and certain information with respect to your Unemployment Compensation benefit status and estimated outside earnings.

As of the end of each month of "layoff-inactive status" (or at other times as deemed necessary) you will be requested to complete a certification statement with respect to the past month, giving information concerning the

amounts of unemployment compensation received, or if denied, for what reason; the amount of any outside earnings received or receivable; the amount of any other benefits or payments for unemployment received or receivable; and an estimate of any earnings to be received for the following month. You should return this certification statement promptly so that any necessary adjustments can be made in the layoff benefits payable for the next month.

SEPARATION ALLOWANCE PLAN

Unclassified Employees . . .

who have at least 12 months of service, and are placed on layoff may be eligible for layoff allowance payments under the Separation Allowance Plan.

Such payments are based on the employee's "average monthly salary" as defined in the

Plan. The maximum amount of separation allowance ranges from one-half of average monthly salary for employees with 1 to 3 years of service to 12 times average monthly salary for employees with 29 or more years of service.

OTHER BENEFIT PROGRAM COVERAGES WHILE ON LAYOFF

• **Savings-Stock Purchase Program:** No additional savings are permitted, although you have the following rights in your various classes:

1. For classes which have not matured:

—During the period you remain on "layoff-inactive status" you continue to earn out GM's contributions and re-

tain the usual withdrawal privileges.

—Upon separation from inactive status:

If your continuous employment at date of layoff was 5 or more years, you will receive a full distribution of all assets in your account, including GM's contributions.

If continuous employment was less

OTHER BENEFIT PROGRAM COVERAGES WHILE ON LAYOFF (Cont.)

than 5 years, you will receive your savings and related earnings plus those attributable to GM's contributions which have been earned out.

2. For classes which have matured:

— During the period you remain on inactive status you may leave all assets in the Program until your separation from inactive status. You retain the usual withdrawal privileges.

— Upon separation from inactive status, you will receive all your assets in the Program including GM's contribution previously earned out in full.

- * **Hospital-Medical Coverages:** Your basic coverages (excluding dental) will continue to be provided at Corporation expense for up to 13 months, and are available for an additional 12 months provided you pay the full monthly subscription or contribution charge. (Exception: If your length of service was less than 6 months, your continuation privileges are more restricted.) Your dental coverages will be continued only to the end of the month following the month in which you last worked. You may continue your major medical coverages by paying the required monthly employee contribution while your basic coverages remain in effect.

- * **Group Insurance:** Basic life, extra accident, survivor income benefit, sickness and accident, and extended disability benefit in-

surance will be continued at GM's expense for the first month following the month in which you are laid off. Thereafter, you may continue basic life, extra accident, and survivor income benefit insurance for the next 12 months. If you had one or more years of recognized length of service when your layoff commenced, GM will pay for your insurance for this 12-month period.

Further, while your GM length of service remains unbroken, you may continue basic life, extra accident, and survivor income benefit insurance for up to an additional 12 months of layoff.

You must contribute 50 cents for each \$1,000 of basic life insurance in any month in which GM does not contribute. You must pay the required contributions to continue Optional and Dependent Life Insurance while basic life insurance remains in force.

- * **Personal Accident Insurance:** You may continue your coverage for up to 24 months provided you pay the usual premium.

- * **Retirement Program:** Although you cannot make additional contributions, you may continue to accrue credited service for up to 11 months while on layoff.

If layoff occurs at or after age 48 and you reach age 55 with 10 or more years of unbroken credited service, you may qualify for special early retirement with unreduced benefits.

PLAN TEXT LANGUAGE

containing a detailed description of the Layoff Benefit Plan is available through your supervisor or selected personnel representative upon request.

Details of the Separation Allowance Plan for unclassified employees can be found in the salaried employee handbook "Working With General Motors".



Other Information

Your GM "Length of Service"

is your period of employment with an employing unit of the Corporation which is considered unbroken. Your length of service is important to you because it determines the amount of your vacation as well as the extent of your participation in various employee benefit programs.

Length of service is not recognized until you attain the status of a regular employee.

You become a regular employee upon com-

pletion of your probationary period of employment, generally after 6 continuous months of salaried employment. This 6 months is then included in your length of service.

For detailed information on the rules for determining length of service, contact your supervisor or salaried personnel representative or refer to the salaried employee handbook "Working With General Motors".

BENEFITS FOR PART-TIME EMPLOYEES

Part-time salaried employees who are regularly scheduled to work at least half their employing

unit's base work week may participate in all of the GM benefit programs for salaried employees.

TEMPORARY EMPLOYEES

Employees who are employed on a day-to-day basis (for example, to perform short-term emer-

gency work) may not participate in any of the GM benefit programs.

BENEFITS FOR COMMISSION SALES EMPLOYEES

Employees who are compensated in whole or in part on a sales commission basis may participate in the GM Savings-Stock Purchase Program, Retirement Program, Insurance Program

and the Layoff Benefit Plan. The extent of their participation is determined by an "Annual Earnings Base" schedule established by the Corporation.

"YEARS OF PARTICIPATION" UNDER THE INSURANCE PROGRAM

Prior to September 1, 1950 . . .

years of participation, in general, equal your recognized length of service as of September 1, 1950.

From September 1, 1950 through December 31, 1973 . . .

you receive credit prior to age 65 while insured for life insurance, plus any period while on military leave or while you received your life insurance in monthly installments because of total and permanent disability. If you were not insured for a period in excess of 24 consecutive months and your recognized length of service

was broken, you lose credit for prior years of participation.

If your credited service under the GM Retirement Program exceeds your years of participation, such credited service is used instead of years of participation.

On and after January 1, 1974 . . .

only credited service accrued under the GM Retirement Program will be used for Insurance Program purposes. Such service will be added to your years of participation (or credited service, if greater) accrued as of December 31, 1973.

BENEFIT PROGRAM COVERAGES WHILE ON NON-DISABILITY LEAVE

If you are granted a leave of absence for a reason other than disability, you can continue your benefit coverages as described below:

• Savings-Stock Purchase Program:

Although no additional savings are permitted, you continue to earn out GM's contributions.

• Hospital-Medical Coverages: Your basic coverages may be continued for up to 12 months (or for the duration if on educational leave) provided you pay one-half the monthly subscription or contribution charge. Dental coverages may not be continued.

You may continue your comprehensive coverages by paying the usual monthly employee contribution while your basic coverages remain in effect.

• Group Insurance: Basic life, extra accident, survivor income benefit, sickness and accident, and extended disability benefit insurance will be continued at GM's expense for the first month of an approved leave of

absence other than for disability.

Thereafter, you may continue basic life, extra accident, and survivor income benefit insurance for the next 11 months (or for the duration if on educational leave) provided you contribute 50 cents for each \$1,000 of basic life insurance.

You must pay the required contributions to continue Optional and Dependent Life Insurance while basic life insurance remains in force.

• Personal Accident Insurance: You may continue your coverage for up to 24 months provided you pay the usual premium.

• Retirement Program: Although generally you cannot make monthly contributions and no additional credited service can accrue, you continue to be covered by the provisions of the Program while on leave.

If You Leave GM . . .

prior to retirement you will have certain rights and be required to make certain decisions relative to your benefit program coverages, as described on the next page:

Savings-Stock Purchase Program: If employment ends before class maturity and you are in one or more classes which have not matured at the time you leave GM, you will receive at least the amount of your savings plus interest.

Full earning-out of GM's contributions will occur prior to maturity of the class if you are terminated as a layoff-separated employee, or special separation in connection with the sale of a GM-owned activity, provided you have 5 or more years of continuous service at the time of your layoff or special separation.

For all other terminations (except discharge) you will receive GM's contributions to the extent they are earned out.

Regardless of the reason for your termination, you will receive all your Program assets held in Trust for any matured classes, including fully earned-out GM contributions.

Insurance Program Conversion Privilege:

During the 31 days following cancellation of your insurance coverages:

1. You may convert at your expense all or part of your group insurance to an individual policy without medical examination (Dependent Life Insurance may be converted only by your dependents). Any type of life insurance policy, except term insurance, then being issued by the Metropolitan Life Insurance Company may be selected. Application may be made at any local office of the Metropolitan Life Insurance Company or at its home office, One Madison Avenue, New York, New York 10010.
2. You may convert at your expense to whatever "direct pay" individual contract for basic hospital and medical expense coverage is then available from the local plan in which you have been

enrolled. Application may be made in accordance with a notice which you will receive at such time from the local plan.

3. Your Personal Accident Insurance may be converted at your expense to an individual policy of personal accident insurance customarily issued by the Continental Casualty Company. Application may be made direct to the Detroit Insurance Agency, 7650 Second Avenue, Detroit, Michigan 48202.

Retirement Program:

Part A Basic and Part B Supplementary Benefits--If you leave General Motors before retirement and have 10 or more years of credited service, you may be eligible at age 65 for deferred Part A basic and Part B supplementary benefits. You may elect to have these benefits start between ages 60 and 65 on a reduced basis. Benefits would commence only after you have submitted an application which would be given to you following your break in credited service.

Part B Primary Benefits--If you leave General Motors before retirement, you may:

leave your Part B contributions in the Program,

—or—

withdraw your contributions plus interest.

In the former case, if you have contributed for 5 or more years, you may be entitled to unreduced monthly Part B primary benefits at age 65, or as early as age 60 on a reduced basis. If you have contributed for less than 5 years, you will receive benefits based only on your own contributions.

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The Employee Retirement Income Security Act provides that any participant, or beneficiary of a deceased participant, in the GM Savings Stock Purchase Program or the GM Retirement Program for Salaried Employee is entitled to examine the Program descriptions and the latest Annual Reports related to those Programs. These documents are available for examination by participants or beneficiaries during regular business hours at the address given below.

In addition, a copy of either the Program descriptions or a summary of the latest Annual Reports related thereto, or both, will be sent to a participant or beneficiary upon receipt of a written request. Any such written request should be directed to the address given below.

General Motors Corporation
Insurance and Pension Section
Room 7-135 GM Building
3044 W. Grand Boulevard
Detroit, Michigan 48202

